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December 14, 1999

The Honorable Tom Bliley, Jr.  
Chairman, Committee on Commerce  
U.S. House of Representatives  
Washington, DC 20515

Dear Chairman Bliley:

Thank you very much for the opportunity to comment on the Electricity Competition and Reliability Act (H.R. 2944). Member companies of the Food Marketing Institute consume tremendous amounts of electricity and are long-time supporters of federal legislation to bring competition to the electricity industry in the United States.

Members of the Food Marketing Institute are extremely disappointed that H.R. 2944 as passed by the Energy and Power Subcommittee does not allow individuals and companies to aggregate their purchases, without regard to where they are located.

Federal legislation which contains neither a date certain nor an aggregation provision providing consumers in closed states the same right to aggregate as consumers in open states (or some other competitive device), provides very little benefit for residential and commercial consumers in states which have not adopted a competitive regime.

Market power provisions, PUHCA and PURPA repeal, and enhanced RTO's are welcome refinements *to nationwide competition*, but are *not* a substitute for a national competitive regime. The bulk of the benefits provided by those refinements will inure to utilities, power marketers and large industrial customers in open and closed states, with, at most, only a small, incidental benefit flowing to residential and commercial customers, especially those in closed states.

While we welcome your steady movement to a federal electricity competition bill, we respectfully request that you do not abandon the millions of residential and commercial consumers that will not receive any substantial benefit from the bill in its current form. We urge you to add language which would allow for aggregation in closed states. We will be happy to work with you and the staff of the Commerce Committee to address any of the concerns that we have raised.

Sincerely,

John J. Motley III  
Senior Vice President  
Government and Public Affairs